

Atlantic City Board of Ed. Data Center 1809 Pacific Ave. Atlantic City, NJ 08401

Jon Jones (609) 343-7200 ext. 5030 jjones@admin.acboe.org

Linda Christian (609) 343-7200 ext. 5017 | Ichristi@admin.acboe.org

Judy Brown (609) 343-7200 ext. 5052 jbrown@admin.acboe.org

Dianna LaVecchia (609) 343-7200 ext. 5032 dlavecchia@admin.acboe.org

Peggie Davis (609) 343-7300 ext. 5128 pdavis@admin.acboe.org

DOCKET FILE COPY ORIGINAL

RECEIVED

APR 2 5 2001

FCC MAIL ROOM

No. of Copies rec'd C

Monday, April 23, 2001

Federal Communications Commission Office of the Secretary 445 12th Street, SW Room TW-A325 Washington, DC 20554

Re:

In the matter of: Request for Review by Jonathan Jona, Data Processing Manager, Atlantic City Publication of District of Decision of Universal Service Manager, Atlantic Sity Publication cket Nos. 96-45 an 67-21. Administrator in Referen

Billed Entity Number 471 Application Number Funding Request Number SLD Correspondence Dated

As Data Processing Manger for the Atlante Car Inhlin School Disect, it is my responsibility to ensure the structural but and the logical needs of my district. The school district has invested time and rs to dellop a very extensive state of the art network. Technical support is a critical component to maintaining its integrity and structure.

To fulfill this requisite I applied for the funding which provides for technical support and maintenance as a component of a maintenance contract for eligible products. (See CC Docket NO. 96-45 page 22 and 38)

Pursuant to § 54.719

Funding Request Number: 419286

Statement of Facts:

The SLD states (refer to Attachment A page 1, re: FRN # 419286) "that in the review of our appeal documentation that our funding request includes costs for 24 hour / 7 days per week network monitoring and management, content filtering,

- and non-operational software testing and configuration". They say that these are services deemed ineligible by the FCC and therefore the FRN is denied.
- We are aware that Docket. CC Docket NO. 96-45 page 22 and 35 state the ineligibility of monitoring/management software and content filtering software. However, on our previous award for FRN 418950 the SLD reduced the amount of dollars to compensate for the ineligible software components. The operating system and operational software is eligible. (See Docket. CC Docket NO. 96-45 page 27).
- In our appeal explanation (please refer to Attachment B page 3, number 2 of RelComm's Network maintenance specification) it was explained that monitoring refers to the software stated above. The Atlantic City Public School District's data center monitors the network with software purchased by its own funds and the vendor responds with technical support and problem resolution on server and switch related issues when needed.
- Additionally, the ACPS personnel who do the actual listing of site URL's or banned language according to administration policy implement the content filtering feature and they do not depend on vendors at all. Filtering is not a service and the software in which allows that function was deemed ineligible and its associated costs were paid for by the school district directly and not through e-rate funding. While the software may add some functionality to the Atlantic City staff it is the human technical support and physical problem resolution that is being paid for through funding.
- The SLD states that FRN 419286 "is for software that was already removed from you[r] previously awarded funding request (418950)." And as non-operational, i.e. existing, software its support is denied.
- In our appeal explanation (please refer to Attachment B page 3, number 4 of RelComm's Network maintenance specification) it was explained that the operating system was to be configured and maintained. LINUX is the operating system and must be configured for the network to work. The content filtering and monitoring tool software were removed from eligibility for e-rate funding, but the operating system was not removed from eligibility for e-rate funding. It is the operating system that requires upgraded configurations. (See Docket. CC Docket NO. 96-45 page 27).
- The SLD states that "Greater than 30% of your funding request was for ineligible services. Therefore your funding request was denied."
- This was based on estimates from our documentation for Item 2 (See Attachment B page 3 item 2) which listed <u>Maintenance</u> followed by some of the activities supported and for Item 4 describing the operating system maintenance in a technical and detailed manner. Maintenance is eligible. (See Docket. CC Docket NO. 96-45 page 38).

Pursuant to § 54.719

Funding Request Number: 419287

Statement of Facts:

- The first paragraph of the SLD repeats the exact wording as in FRN 419286 (refer to Attachments A FRN # 419286) "You state that it is for software that was already removed from you[r] previously awarded funding request (418950)."
- We believe that our appeal documentation was not reviewed for FRN #
 419287 (refer to Attachment B, item 1 on page 3 FRN # 419287). The denial
 letter is again referring to LINUX software, which is server related when the
 FRN is for network switches that do not have an "operating system." The
 "removed software" again refers to the server line item unrelated to network
 switches
- We are aware that environmental monitoring hardware and related software is not eligible, See <u>Docket. CC Docket NO. 96-45 page 17</u>). SLD funding did not pay for CAJUN Openview, which provides the monitoring features.
- Also, the denial based on 30% ineligibility is confusing never was a breakdown of time and costs asked for on this FRN only on FRN 419286. Again, had a breakdown of time and costs been requested then it would have shown that the cost was for actual technical support provided.

In conclusion:

Based on these facts we believe there to be a misunderstanding or insufficient review of our funding request on the part of the SLD Administrator, and believe the denial of funding to be in error. We were granted year1, year 2, and year 3 funding year awards, which were for the equipment sought to be maintained, and thus eligible under the above referenced Docket. CC Docket NO. 96-45. All documentation stressed that funding was for the maintenance and technical support needed to repair malfunctions on the network servers and switches all of which were deemed eligible through previous e-rate funding.

The Atlantic City Public School District seeks relief from the Administrators decision and the reinstatement of funding for FRN 419286 and FRN 419287.

Jonathan Jones

Data Processing Manager

Atlantic City Public School District

RECEIVED

APR 2 5 2001

FCC MAIL ROOM

Attachment A

Administrators Decision on Appeal Funding Year 2000 - 2001

HAMMin ston

Universal Service Administrative Company

Schools & Libraries Division

E-RATES 1000 St 973-975 973-975 Administrator's Decision on Appeal - Funding Year 2000-2001

March 30, 2001

Jonathan Jones Atlantic City School District 1809 Pacific Avenue Atlantic City, NJ 08401-6803

Re:

Billed Entity Number:

123420

471 Application Number:

193676 419286, 419287

Funding Request Number(s): Your Correspondence Dated:

October 26, 2000

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Year Three Funding Commitment Decision for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 30-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 419286

Decision on Appeal:

Denied in full

Explanation:

- You have stated on appeal that this the terms "monitoring" and "content filtering" which were on the supporting documentation submitted for this request (attachment twenty-one) are being interpreted by SLD as a service, this is not the case. You state that it is for software that was already removed from you previously awarded funding request (418950). The "testing and configuration" portion is of the latest version of the RED HAT LINUX operating system, which is now at version 7.0 while your existing systems are at 6.1.
- During the review of the appeal, it was determined from your support documentation (attachment twenty-one) and the additional back-up documentation which was submitted to SLD review on August 25, 2000 that this funding request includes costs for 24 hour / 7 days per week network monitoring and management, content filtering,

of Tech syport is lef?

and non-operational software testing and configuration. You indicated on the back-up support sent that these services make up for 50% of the requested \$25,000.00 per month. You indicated this on lines 2 and 4 of the documentation that was sent to SLD.

Your Form 471 application included costs for the following ineligible services: 24 hour / 7 days per week network monitoring and management, content filtering, - 1707 9 and non-operational software testing and configuration. FCC rules provide that discounts may be approved only for eligible services. See 47 C.F.R. §§ 54.502, 54.503. The USAC website contains a list of eligible services. See USAC website, http://www.universalservice.org, Eligible Services List. Program procedures provide that if 30% or more of an applicant's funding request includes ineligible services, the funding request must be denied. Greater than 30% of your funding request was for ineligible services. Therefore, your funding request was denied. You did not demonstrate in your appeal that your request included less than 30% for ineligible services. Consequently, SLD denies your appeal.

Funding Request Number: 419287

Decision on Appeal: Denied in full

Explanation

You have stated on appeal that this the term "monitoring" which was on the supporting documentation submitted for this request (attachment twenty-one) is being interpreted by SLD as a service, this is not the case. You state that it is for software that was already removed from you previously awarded funding request (418950). The "testing and configuration" portion is of the latest version of the RED HAT LINUX operating system, which is now at version 7.0 while your existing systems are at 6.1.

During the review of the appeal, it was determined from your support documentation (attachment twenty-one) and the additional back-up documentation which was submitted during the appeal review on March 27, 2000 that this funding request is for 24 hour / 7 days per week network monitoring and management (accessibility, security, bandwidth consumption, alarm and error reports). This is considered to hear an ineligible service as per the SLD eligibility list.

Your Form 471 application included costs for the following ineligible services: 24

hour / 7 days per week network monitoring and management. FCC rules provide that discounts may be approved only for eligible services. See 47 C.F.R. §§ 54.502, 54.503. The USAC website contains a list of eligible services. See USAC website. 54.503. The USAC website contains a list of eligible services. See USAC website. http://www.universalservice.org, Eligible Services List. Program procedures provide that if 30% or more of an applicant's funding request includes ineligible services, the funding request must be denied. Greater than 30% of your funding request was for

ineligible services. Therefore, your funding request was denied. You did not demonstrate in your appeal that your request included less than 30% for ineligible services. Consequently, SLD denies your appeal.

If you believe there is a basis for further examination of your application, you may file an appeal with the Federal Communications Commission, Office of the Secretary, 445 12th Street, SW, Room TW-A325, Washington, DC 20554. Please reference CC Docket Nos. 96-45 and 97-21 on the first page of your appeal. Before preparing and submitting your appeal, please be sure to review the FCC rules concerning the filing of an appeal of an Administrator's Decision, which are posted on the website at <www.universalservice.org>. You must file your appeal with the FCC no later than 30 days from the date on this letter for your appeal to be filed in a timely fashion.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division Universal Service Administrative Company

RECEIVED

APR 2 5 2001

FCC MAIL ROOM

Attachment B

Atlantic City Public School District Letter of Appeal to SLD Funding Year 2000 - 2001

Attachment B
Page 1

ATLANTIC CITY PUBLIC SCHOOLS Data Processing Center
1809 Pacific Avenue

JUDITH BROWN, Data Entry Clerk LINDA CHRISTIAN, Systems Operator JONATHAN JONES, Data Center Manager

Atlantic City, New Jersey 08401 609/343 -7227 Fax: 344-3661

DEREK CASON, Computer Resource Specialist DOROTHY GRIFFITHS, Computer Resource Specialist DIANNA LAVECCHIA, Hardware Technician

To: **SLD** Appeals Department

From: Jonathan B. Jones – Data Processing Manager

Date: Wednesday, October 11, 2000

Re: Appeal on FRN 419286, FRN 419287

This letter is an appeal to the funding commitment decision on of 9/29/00 with regards to FRN 419286 FRN 419287.

The Documentation originally supplied was given in response to our bid and was written for a data center manager with a clear understanding of vendor's responsibilities end and our departments begin. I am resubmitting that documentation with underlined addendum's to clearify the language that may have been mis-understood during the application process.

For FRN 419286 the FCD explanation states that 30% or more of this FRN included a request for network monitoring, content filtering and non operating system testing and configuration. The Atlantic City Board of Education is appealing this decision based on the fact that the terms "monitoring" and "content filtering" are being interpreted as a service, which is not the case. It is software that was already removed from our previous award (418950). The "testing and configuration" is of the latest version of the RED HAT LINUX operating system (now at version 7.0 while our existing systems are at 6.1)

For FRN 419287 the FCD explanation states again that "30% or more of the FRN includes a request for Network monitoring and management which is ineligible." again we are appealing this because the terms are not referring to services and the related software was already removed under FRN 418950.

Please feel free to call me with any questions you may have: Jon Jones 1809 Pacific Ave. Atlantic City, NJ 08401 FAX # 609-344-3661, jjones@admin.acboe.org FCD 9/29/00, yr. 3 07/01/2000-06/30/2001 Atlantic City –BE ADMIN, 471 application # 193676, Billed entity # 123420

RelComm

120 Split Rock Rd Browns Mills NJ 08015 609-893-6990

Network maintenance specification:

Client's network is represented by two separate, but closely related parts of the network infrastructure, as represented in the original request for service:

- 1. The server based information core to provide all necessary services to the end users.
- 2. Switch based information delivery system to provide reliable, high bandwidth, fail-safe access to the services, provided by the server equipment;

Correspondently the scope of maintenance is divided into the components below.

The client's server farm includes: 11 Dual processor Linux based servers, 2 Single processor Linux based servers, 5 MS Windows NT based file servers, 2 Novell NetWare 3.12 based file servers, 1 PowerPC G3 Linux based server, 1 Quad processor AT&T UNIX PC based application server, 1 SCO UNIX based application server, 1 DEC Alpha based Internet access server.

Maintenance of the server equipment includes:

Maintenance of the software/hardware of the existing servers includes the following unless the item is already covered by the existing agreement with a third party vendor.

a. General system software (file and print share services, e-mail and scheduling distribution system, ftp, www, DNS, dhcp, ftp, time synchronization, security, backup, internet access content filtering caching proxy and related services);

INTERNET ACCESS CONTENT FILTERING IS NOT A SERVICE PROVIDED BY RELCOMM.
BUT IT IS A SECONDARY FEATURE OF THE WEB SERVER SOFTWARE WHICH IS NOT
DEPLOYED. THIS SOFTWARE WAS ALREADY REMOVED UNDER ANOTHER SLD LINE ITEM
FOR SERVER SOFTWARE ON THE NEW SERVERS ON WHICH IT RESIDES (FRN 418950)
THE REMOVAL MAY ACCOUNT FOR ABOUT 1% LESS MAINTENANCE,

- b. Curriculum related software (Jostens Compass, Rosetta stone, Plato and etc.

 THIS IS COVERED UNDER RENEWED THIRD PARTY AGREEMENTS, (JOSTENS LEARNING CORP.), AND NOT BY RELCOMM.
 - c. Network infrastructure related software (routing, route distribution and monitoring software, network monitoring and management software, failure notification and recovery utilizing the redundancy features).

THE MONITORING/MANAGEMENT NOTIFICATION SOFTWARE WAS REMOVED FROM THE ABOVE STATED SOFTWARE LINE ITEM. MAINTENANCE IS OF THE SERVER OPERATING SYSTEM/HARDWARE ONLY AND NOT THE GENERAL NETWORK. THE REMOVAL MAY ACCOUNT FOR ABOUT 2% LESS MAINTENANCE.

d. Distance learning and multimedia related systems (streaming video distribution system).

THIS IS COVERED UNDER A SEPARATE THIRD PARTY AGREEMENT (LUCENT) AND NOT BY RELCOMM.

2. Maintenance includes 24/7 monitoring of the system activity and performance, log file and error report analysis, preventive maintenance, configuration adjustment at the client's request (services' and account maintenance, security configuration).

"MONITORING" REFERS TO SERVER SOFTWARE THAT RUNS CONTINUOUSLY IN THE BACKGROUND AND NOTIFIES THE DATA CENTER MANAGER OF DANGEROUS CONDITIONS THROUGH E-MAIL AND PAGER NOTIFICATION. ACTUAL PHYSICAL <u>MONITORING OF THE NETWORK IS PERFORMED BY THE ACBOE DATA CENTER.</u> <u>RELCOMM PROVIDES 24/7 TECHNICAL SUPPORT ON SERVER AND SWITCH RELATED</u> ISSUES, MAINTANING THE OPERATING SYSTEMS AT THE CLIENTS' REQUEST. <u>CONDUCTING SCHEDULED CHECK-UPS ON THE SERVERS ACTIVITY, ERROR REPORT</u> <u>ANALYSIS OF PERFORMANCE AND ASSURING THAT THEY ARE WORKING AT OPTIMAL</u>

3. 1-4-hour trouble response with 4-8 hours (same day) problem resolution.

4. Because of the fact that all systems are mostly utilizing the open source or public domain software, maintenance also includes acquiring of the new coming patches and version of the related software, testing the new software on the specially designed testing model of the clients network (to prevent harmful effects of such testing on the live network), making recommendations according to the test results and final implementation of the recommended changes and upgrades upon client's approval.

<u>THIS IS SPECIFICALLY THE OPERATING SOFTWARE. PATCHES ARE RELEASED TO FIX</u> PERFORMANCE, AND NEW VERSIONS OF THE OPERATING SYSTEM HAVE TO BE UPGRADED ON THE SERVERS. THE EXISTING ACBOE SERVERS, (WEB SERVERS, E-MAIL SERVERS. COMMUNICATION SERVERS. ETC.) HAVE NOT BEEN SERVICED AND REQUIRE <u>COMPLETE MAINTENANCE OVERHAULS. TESTING INVOLVES CONFIGURING THE</u> <u>SOFTWARE ON ONE SERVER AND AREA OF THE ACBOE LAN THEN INTEGRATING THE</u> OPERATING SYSTEM TO THE OTHER SERVERS ON THE NETWORK

5. Because of constant grow and expansion of the client's network maintenance also includes any configuration and structural changes to the systems owned by the client (remote access, expansion of the network infrastructure, integration of the third party equipment and software in cooperation with the correspondent vendor).

<u>THIS REFERS TO RECONFIGURATIONS OF THE EXISTING SERVERS AND SWITCHES DUE</u> TO THE ADDITIONS OF NEW NETWORK DEVICES i.e. SERVERS, SWITCHES, ROUTERS, AND NEW SITES.

6. Participate in resolution of any existing or future compatibility issues between existing systems and newly installed by the third party vendors. Conduct or participate in the necessary negotiations on behalf of the client and make correspondent recommendations.

MINOR CHANGES TO THE EXISTING OPERATING SYSTEM REQUIRED BY THIRD PARTY PRODUCTS, ACCOUNT CREATION, RESOURCE ALLOCATION ETC. 3% OF TOTAL <u>MAINTANENCE RESOURCES</u>

7. Maintenance also includes any necessary configuration changes and/or firmware/ software upgrades of the end user equipment (Macintosh, PC and UNIX workstations, printers).

THIS REFERS TO THE INITIAL CONFIGURATION OF NEWLY PURCHASED EQUIPMENT TO COMPLY WITH EXISTING SERVER BASED CONFIGURATION SYSTEM (DHCP) 4% OF TOTAL MAINTENANCE RESOURCES.

8. Creating an independent backup maintenance network utilizing the existing low cost low bandwidth connections between the sites to provide centralized remote disaster recovery capability.

THIS REFERS TO MAINTAINING THE PRE-EXISTING NETWORK AS AN EMERGENCY BACK-<u>UP TO THE NEWLY INSTALLED GIGABIT NETWORK IN CASE OF FAILURE. 2% OF TOTAL</u> MAINTENANCE RESOURCES.

9. This agreement may include additional hardware accessories (e.g. Fast Ethernet and Gigabit Ethernet adapters to eliminate possible bandwidth bottle-necks, remotely controlled power switches and UPS equipment to simplify recovery from power failures and equipment crashes) not in excess of 10% of this agreement.

Attachment B Page 4

FOR FRN # 419287

Infrastructure equipment maintenance includes the operations center's core, the gigabit routing switches (12 Cajun P550R), gigabit distribution switches (2 Cajun P550), workgroup managed switches (86 Cajun P120 and 2 Cajun P550) in the variety of the hardware configurations, which include the full range of supported expansion modules i.e. 4x1000BaseSLX, 4x1000BaseLX, 4x1000BaseSX, 2x1000BaseLX, 2x1000BaseSX 10x100BaseFX, 20x100BaseTX, 48x100BaseTX modules, routers and supplementary equipment. Also includes:

1. 24/7 monitoring of the condition and performance of the equipment (accessibility, security, bandwidth consumption, alarm and error reports);

THE EXISTING SWITCHES HAVE SOFTWARE THAT SENDS ALARMS TO THE SERVERS AND NOTIFIES ACBOE DATA CENTER PERSONNEL THROUGH E-MAIL AND PAGER NOTIFICATION. RELCOMM PROVIDES 24/7 TECHNICAL SUPPORT ON SWITCH RELATED ISSUES WHICH CAN BE DISCOVERED BY THE ACBOE PERSONNEL ON-SITE WHO ARE ACTUALLY EVALUATING THE NETWORK PERFORMANCE. RELCOMM THEN PERFORMS ANALYSIS OF ERROR REPORTS AND PROBLEM RESOLUTION.

2. Discovery of the network traffic bottle-necks and security weaknesses based on the network monitoring above and making recommendations for their elimination;

ON THE SWITCH LEVEL BASED ON THEIR SOFTWARE CONFIGURATION.

3. Firmware and software updates when they become available; AGAIN SPECIFICALLY TO THE SWITHES

- 4. Creating automated software update system to simplify the upgrades in the future, based on the existing server facilities;
- 5. Creating of the configuration backup database for all applicable equipment (switches and routers) to simplify the recovery from the hardware failure in case of the hardware replacement and/or loss of the configuration information.
- 6. Adjusting of the access and security configuration of the switches at the client's request.
- 7. Implement and deploy network management and control system utilizing workstation hardware provided by the client and existing UNIX servers.

ITEMS 4-5-7 WILL BE IMPLEMENTED UNDER A SEPARATE PROJECT AND COMBINED, ACCOUNT FOR ONLY 8% OF THE TOTAL PACKAGE.

Reconfiguration of the Lab switches during the uplink upgrade from 100MB/s to 1GB/s where applicable.

APR 2 5 2001

	FCC MAIL	ROOM
Disaster Recovery	Disaster Recovery, which describes the means of restoring service to a computer network that has suffered a disaster, is not eligible for discounts. Such costs may include the rental of a site that houses links and equipment that is modeled after the network.	No
Documentation	Documentation includes support material provided in the form of paper or electronic media. It may include diagrams, blueprints, equipment specifications or instruction manuals for eligible services and products. Documentation is eligible for discount if provided as part of the installation of eligible equipment or service.	Conditional
Edge Device	A device, such as a router or Ethernet-to-ATM switch, that is directly connected to an ATM network. The User Network Interface (UNI) defines the connection between the edge device and the ATM network switch. It is the first device in the connection with the ATM network. It is also called an end device.	Yes
Electronic Library	Electronic Library, which is a searchable version of the reference and periodical sections of a library, is not eligible for discounts. An On-Line Public Access Catalog System is not eligible for discounts.	No
E911 Reader Board	The E911 Reader Board is adjunct hardware for a PBX and used to access E911 Emergency service.	No
Electrical System Upgrades	Addition of electrical circuits and outlets to accommodate the addition of network computer hardware.	No
Enhanced Multimedia Interface (EMMI)	The EMMI is an interface that gives PC and workstation users on ATM networks the ability to send and receive full-motion, high quality video, CD-quality stereo and high speed data. Signals are transformed into ATM cells and transported optically, using the Synchronous Optical Network (SONET) standard.	Yes
Environmental Monitoring Card/Meter	The Environmental Monitoring Card is an interruptible power supply card used to monitor the environmental conditions in rack, computer room, and data center environments. They are used in elimate central and are not a component of Internal Connections used to deliver information to the classroom.	No
	The Environmental Monitoring Card/fileter is not eligible for discount.	
Ethernet Card	The network card connecting end users on a fast Ethemet LAN. Eligible for eligible switches and hubs, but not if located in the workstation.	Conditional

On-Site Technical Support	On-Site Technical Support is the presence of a vendor-provided technician at the client's location for a specified period of time. Most often this on-site support includes the installation, maintenance and changes to various service and equipment under contract. On-Site Technical Support is only eligible if it is a component of a maintenance agreement/contract for an eligible service, or product. And it must specifically identify the eligible products or service covered by the contract.	Conditional
On-Line Public Access Catalog System	A system that allows the user to electronically search a library card catalog. On-Line public access catalog systems are storage devices and are not eligible.	No
Network Management Systems	A system of equipment or software used in monitoring, controlling and managing a data communications network. The system may contain elements such as software, CRT displays and printers, circuitry for diagnostics and reconfiguration of channels, generally housed in an operator console.	No
	The NID may be considered part of Telecommunications Services if it is installed coincident with a Telecommunications Service, or as part of Internal Connections.	
	In terms of the "E-Rate" program, it is the beginning of the Internal Connections on the customer's premises. Installed with Telecommunications Services, there is normally no charge for the NID. However, if a cost is associated with the installation of the NID, it is eligible for discount.	
Network Interface Device (NID)	The Network Interface Device, or NID, is a device installed between a telephone network and the inside wire of a customer premises. The NID is generally provided by the telephone company and is the transition, or hand off point between the company's network and the customer's inside wiring.	Conditional
Network Interface Card (NIC)	An electronic circuit connecting a workstation or server to a network. Usually a card that fits into one of the expansion slots inside a computer. It works with the network software and computer operating system to transmit and receive messages on the network. NICs are eligible if part of an eligible product, or service. NICs are ineligible if a part of a workstation.	Conditional
Multiport Serial Cards	A printed circuit card installed in an expansion slot of a computer that changes the parallel internal communications of the computer into the one-bit-at-a-time serial transmission for sending information to peripheral devices such as hard disks, printers, zip drives, video adapter, etc. Multiport serial cards are eligible in servers if the devices they support are eligible.	Conditional

January 24, 2001

SNMP System Management Module	Simple Network Management Protocol adapter that allows for SNMP to be introduced into the Ethernet network to manage devices and their interaction with TCP/IP.	Yes
Software	Software is only eligible if provided as a component of an eligible Internal Connection. Software for workstations is not eligible for discount.	Conditional
	Operational Software – software required for operation of eligible equipment.	Yes
	Application Software – software such as word processor, spreadsheet, graphics programs, etc.	No
	Anti-Virus	No
	Browser6	No
	"E" Mail7	Yes
	Fire Wall8	No
	Network Administration Software9	No
	Network Management Software10	No
	Web Site Construction Software11	No
Spare Parts	Spare parts are usually hardware stored in a storage closet and are used to replace hardware on the network that fails. Spare parts are not eligible.	No
Speakerphone	A telephone, or telephone adjunct, which has a speaker and microphone for two way hands free conversation.	No
Speakers for PC/File Server	Speakers are eligible when bundled as a component of a file server, or other eligible server.	Conditional

⁶ Browsers are provided by Internet Providers. Software additional to that provided in a Bundled Access to the Internet is not subject to discount. (Paragraph 445)

⁷ E-Mail Software, which operates an E-Mail server, is eligible for discounts.

⁸ A method of protecting one network from another untrusted network. The actual mechanism whereby this is accomplished varies widely, but in principle, the firewall can be thought of as a pair of mechanisms: one that blocks traffic and another that permits it. Firewalls are eligible only if provided as a component of the file server and there is no associated cost. Otherwise firewalls are ineligible.

⁹ Network Administration Software (different from network operating software), which provides for minimizing accidental reconfiguration and aiding control of client workstations, is not eligible for discount.

¹⁰ Network Management Software (different from network operating software) specializing in the management of automated hardware and software inventory, configuration management, software metering and auditing and extensive reporting and advanced scripting tools, is not eligible for discount.

¹¹ Web Site Construction Software is not eligible for discounts.

E-Mail Account Fees	E-Mail account fees are charges for individual user access to e-mail services provided by the Internet Provider. E-Mail service provided as a service bundled within Internet access is eligible, but a separate charge for individual users to access the E-Mail service is not eligible.	No
E-Mail Service	E-Mail Service, which provides for the transmission of simple text messages and other embedded data, is eligible for discount.	Yes
Filtering Service	Filtering is software or combination software/firmware that protects users from dangerous or inappropriate content on the Internet by blocking Web, FTP and Gopher sites. It may be provided by an Internet provider as a monthly service. Filtering is not eligible for discount, whether as a service or if purchased software.	No
Firewall Service	Firewall Service is a commercially available service provided by a Telecommunications or Internet provider that provides a firewall functionality. Firewall Software in a client's equipment is only eligible if provided as a component of a file server that incurs no identifiable cost and cannot be unbundled.	Conditional
GSP Rates	GSP is short for Global Service Provider. GSP provides the interLATA component of Internet Services. The GSP services are provided by a number of providers and may be dependent on the Internet Service Provider selected.	Yes
	The GSP provides the interLATA services to connect the ISP network to the global internet network. There may be separate charges for this component of internet access and such charges can be dependent on the type of internet access selected.	
Internet Content	A service separate from Internet access where a user can obtain information on a wide variety of topics. Subscription to these services typically requires additional charges to the user. Examples include electronic libraries and on line news services.	No
Internet Training	Internet training provided for personnel is ineligible.	No
Satellite Access to Internet	The service provides a means of receiving and/or transmitting information from-and-to an Internet Service Provider (ISP) via satellite. The connection to the ISP can be accomplished through the use of a dial-up line, or dedicated facility equipped with a modem. The service is eligible for discount if it is part of a bundled or unbundled Internet service offering and does not include the purchase of the satellite dish or modem.	Conditional
	When provided as a component of a Wireless Wide Area Network and used exclusively for accessing the Internet, the satellite dish and modem are eligible, but only if leased from the Internet Service Provider.	

Labor	The labor charges incurred for the installation and contractual maintenance of eligible Telecommunications Services, Internal Connections and Internet Access are eligible for discount. The Service Category used for labor should reflect the same service category of the product, or service being installed or maintained. Labor costs for schools and library personnel are not eligible for discount.	Conditional
Leasing Fees	Leasing fees charged for the use of eligible services and products. Finance charges associated with leasing are not eligible.	Yes
Maintenance & installation	Installation, Labor and Maintenance Agreement (contract or tariff) fees -The charges incurred for the installation and contractual maintenance of eligible Telecommunications Services, Internal Connections and Internet Access are eligible for discount. The charges incurred for the maintenance and installation performed on eligible Telecommunications Services, Internal Connections and Internet Access on a time and material basis are eligible for discount. The Service Category used for Maintenance & Installation should reflect the Service Category of the product or service being installed or maintained. As an example, if the service being installed is a Telecommunications Service, then the installation should also reflect that same category, Telecommunications Service.	Conditional
	Labor costs for schools and library personnel are not eligible for discount.	
Metropolitan Area Network (MAN)	Metropolitan Area Network (MAN) is a data network designed for a town or city. In terms of geographic breadth, MANs are larger than Local Area Networks (LANs) but smaller than Wide Area Networks (WANs). MANs are usually characterized by connections using fiber high-speed optic cable or other digital media. In terms of the "E-Rate" program, a MAN and WAN are considered the same	Conditional
	The cost of building or purchasing MANs, as is true for WANs, to provide Telecommunications Service or Internet access is not eligible for support. However, schools and libraries are not precluded from receiving support for a metropolitan area network run over leased telephone lines because such an arrangement constitutes a Telecommunications Service. Nor are they precluded from leasing lines from a non-common carrier for exclusive access to the Internet .	
Per Diem	Per Diem is a dollar amount designated to a vendor for daily expenses such as lodging and food. It may or may not include travel time. It is eligible for funding if a contract with a vendor for eligible services stipulates, or allows, for per diem. It is not eligible if it is not part of a contract or bid.	Conditional
Performance Bond	A Performance Bond is a bond, generally obtained by the vendor or contractor from a third party, that guarantees the terms of the contract or agreement are met. In the event of default or failure to meet the terms, the bond would be used to complete the contracted work.	No